



REVOLUTIONARY GOVERNMENT OF ZANZIBAR



OFFICE OF CHIEF GOVERNMENT STATISTICIAN

Quarterly National Accounts Release

First Quarter (Jan – March), 2013

OFFICE OF CHIEF GOVERNMENT STATISTICIAN

ZANZIBAR.

June 2013

Forward.

This First Quarter report presents the analysis of Quarterly National Accounts (QNA) estimate in summary form. Brief description of estimation of GDP on Agriculture, Fishing, Industry, Services, Whole Sale and Retail Trade, Hotel and Restaurants, Transport and Communication, Financial Intermediation, Public Administration, Education, Other services and Taxes and Subsidies has been presented.

The Quarterly National Accounts provide the quarterly estimation of Gross Domestic Product (GDP) at constant prices for each economic activity which can serve a wider range of purposes. These time series results are essential for planning on the economy development, monitoring and evaluation of sound economic programs on a short term basis.

The National Accounts form a comprehensive framework within which economic and social data can be presented in a coherent, consistent manner. In the mean time, the estimates of National Accounts of Zanzibar developed into quarterly series and cover the period of 2001 to first quarter of 2013.

The Office of Chief Government Statistician (OCGS) in collaboration with various line Ministries engage on data collection process as well as compilation. It is our belief that the quarterly estimation of GDP is necessary input which enabling to put in places the environment for national development and improves the ability of government to formulate appropriate policies, manage the economic and social development process and monitor improvements of the living standards of the people.

The Office of Chief Government Statistician invite comments and suggestions for improvement on the report and enter process of quarterly GDP estimates, and should be send to the address below.

.....
Mohammed Hafidh Rajab
Chief Government Statistician
Office of Chief Government Statistician
Zanzibar.

INQUIRIES

For further information about this publication and related statistics, contact the
Chief Government Statistician
Office of Chief Government Statistician
P.O Box 2321
P +255 24 22 31 869
F +255 24 22 31 742
Email nationalaccounts@ocgs.go.tz, economistat@ocgs.go.tz,
Zanzibar.

Acknowledgments

The need for Quarterly National Accounts (QNA) has gained high priority in recent years with the broad objective of measuring the short-term economic performance. This report is one of the series of the QNA estimates released by the OCGS for the year 2013. The comprehensive set of national accounts tables are given by the industrial economic activities as recommended by the 1993 System of National Accounts (SNA – 1993).

The compilation of this report was undertaken under the supervision of Mr. Abdul Ramadhan Abeid; Acting Director of Economic Statistics Section. The National Accounts Statistics Section member of staff involved in this assignment are Messrs Khalid Chum; Manager of National Accounts Unit, Fadhil A. Hassan, Bakari K. Makame, Faida Saleh, Hamisa S. Faki, Suleiman D. Juma and Suleiman A. Hamad; particularly their dedication and efforts they put into this piece of work is highly appreciated.

The success on production of this report was mainly due to the timely supply of the required input indicators solely provided by the member of staff from all statistics unit in the OCGS. The office would wish to thank for their vital contributions and for the role they played which enable to release this quarterly report in timely manner.

The data sources from both private and public sectors also deserves special thanks for valuable efforts on supplied inputs; acknowledgements also go to the many individuals who helped in collection and processing of the data. It is only through their diligence that we have been able to produce this valuable report.

Table of Contents

Forward.	2
Acknowledgments	3
Table of Contents	4
List of Table	5
List of Figure	5
First Quarter National Accounts Analysis in Brief	6
1.0 Introduction	6
1.1 The GDP Growth Rate falls to 1.6 Per cent in First Quarter 2013	6
2.0 Comparative Analysis between the First Quarter of 2012 and First Quarter of 2013	7
2.1 Agriculture.....	7
2.2 Fishing	7
2.3 Industry	8
2.4 Services	9
2.4.1 Wholesale and Retail Trade	9
2.4.2 Hotel and Restaurants	9
2.4.3 Transport and Communication.....	9
2.4.4 Financial Intermediation	10
2.4.5 Public Administration	10
2.4.6 Education	10
2.4.7 Health and Other Social Services.....	11

List of Table

Table 1.0: Quarterly GDP Estimated at Constant Price from Q1 2001 to Q1 2013.....	12
Table 2.0: Quarterly GDP Percentage Growth Rates from Q1 2002 to Q1 2013	12
Table 3.0: The GDP Growth Rates by Activity – Percentage Changes from Q1 2009 – Q1 2013.	13

List of Figure

Figure 1: First Quarter GDP Growth Rates from 2008 to 2013	6
Figure 2: GDP at Constant Prices for Agriculture Sector	7
Figure 3: Quantity (tons) of Fish Catch.....	7
Figure 4: Percentage Growth of Manufacturing, Electricity and Construction Industries	8
Figure 5: Q1 - Percentage Growth of Whole Sales and Retail Trade Activities 2009 – 2013	9
Figure 6: Number of Tourists Arrival in Zanzibar	9
Figure 7: First Quarter Trends of Deposits and Loans 2009 – 2013	10
Figure 8: First Quarter Growth Rates of Public Administration 2009 – 2013	10

First Quarter National Accounts Analysis in Brief

1.0 Introduction

National Accounts data provide the most comprehensive overview of the country's economic performance and the status of the existing of developments in the national economy. In recent years quarterly national accounts have seen a substantial evolution and emerge a useful input for monitoring and evaluating the country economic performance inform monetary policy decisions in short term basis.

The compilation of Zanzibar Quarterly National Accounts focuses on the quarterly constant GDP estimates, also it compiled in line with the annual estimates in terms of its methodology as well as the input indicators used for mostly all industrial activities for which reliable and quick related data are available. Since key statistical data on the relevant quarter will necessarily take some time to collect, revisions will have to be made more frequently, accordingly.

The purpose of this report is to summarize the results of the quarterly estimation of Gross Domestic Product (GDP) for the First quarter of 2013 which comprise of the month of January to March 2013. The result presented in this report is useful to a wider range of data users including the compilers of annual national accounts estimates. In the mean time, the reports focus on comprehensive estimates for the constant GDP for each economic activity.

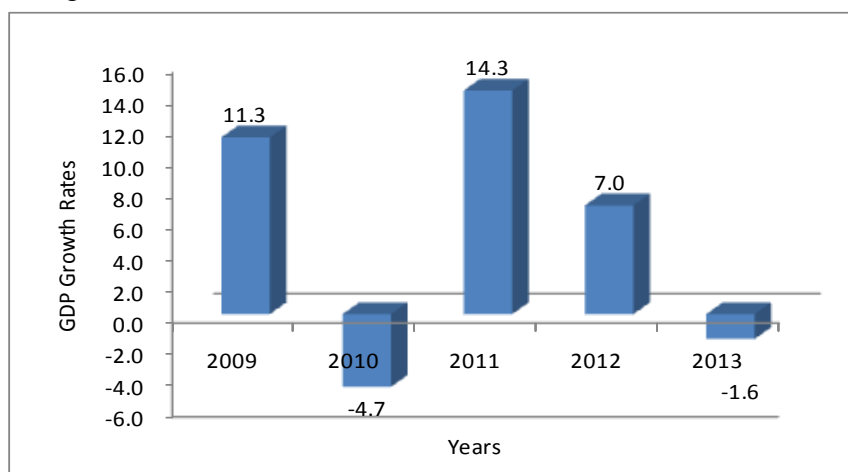
1.1 The GDP Growth Rate falls to 1.6 Per cent in First Quarter 2013

Zanzibar Gross Domestic Product (GDP) declined by 1.6 percent in the First quarter (Q1) of 2013 which is lower compared with an increase of 7.0 per cent observed in the same quarter 2012 (figure 1).

The results revealed that the fall of the rate of 1.6 percent was mainly associated with the decline in Transport and Communication, Construction, Wholesale and Retail trade, and Manufacturing activities (Table 3.0)

Other economic activities which show a remarkable growth are Public Administration, Mining and Quarrying Hotels and Restaurant, and Agriculture.

Figure 1: First Quarter GDP Growth Rates from 2009 to 2013



2.0 Comparative Analysis between the First Quarter of 2012 and First Quarter of 2013

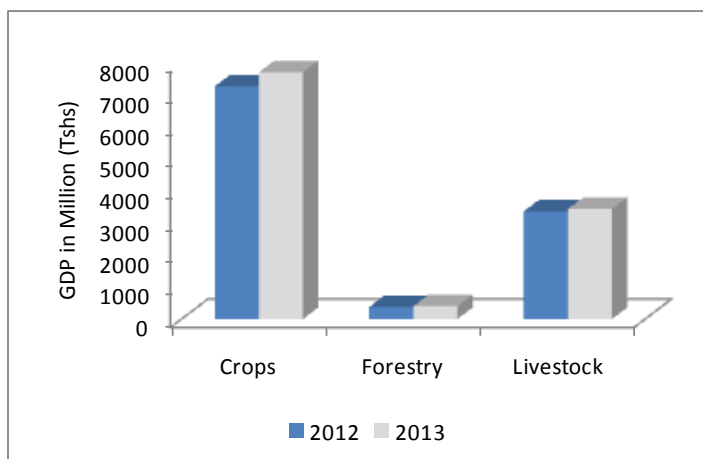
The GDP growth rates of the economic activities in quarterly basis are presented in table 3.0, while the GDP at constant prices are presented in table 2.0.

2.1 Agriculture

The analysis of the GDP at constant prices for agriculture sectors for the First quarter of 2012 and 2013 presented in figure 2 cover three main sub sectors namely crops activities, livestock sectors and forestry and hunting economic activities.

Table 3.0 indicates that the percentage change of agriculture increased by 4.9 per cent in the First quarter of 2013 compared to 7.6 percent growth recorded in corresponding quarter of 2012.

Figure 2: GDP at Constant Prices for Agriculture Sector

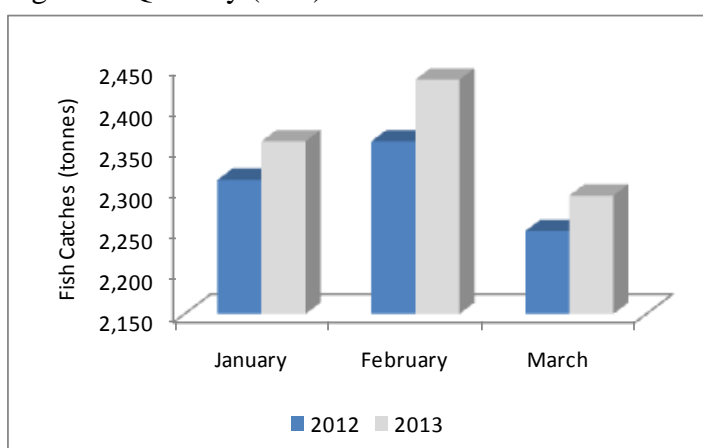


2.2 Fishing

The GDP for fishing activities increased by 2.4 in the First quarter of 2013 compared with the growth of 1.4 per cent registered in First quarter of 2012.

The increase of GDP growth for fishing was mainly due to the increase of a volume of fish catches from 6,924 tons recorded in First quarter of 2012 to 7,089 tons in same quarter of 2013 (Figure 3).

Figure 3: Quantity (tons) of Fish Catch.



2.3 Industry

The industry activities include Mining and Quarrying products, Manufacturing activities, Electricity, gas, water supply and Construction. Figure 4 presents the results of percentage changes of manufacturing activities, electricity and construction activities.

The gross value added of manufacturing activities is estimated by applying quarterly volume of production of manufacturing goods. Manufacturing sector declined by 2.9 per cent in the First quarter of 2013 compared to growth of 4.8 percent reported in the same quarter of 2012.

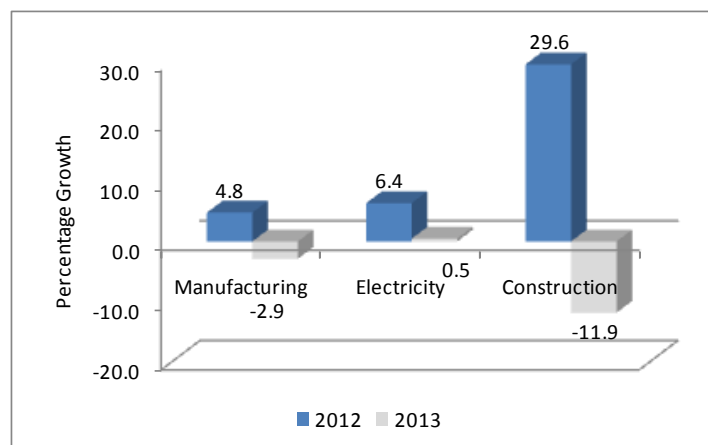
The rate of growth of manufacturing activities in First quarter 2013 was mainly due to the increase on production of the volume for mineral water from 2,726 litres recorded in First quarter of 2012 to 2,757 litres reported in First quarter of 2013 which is an increase of 1.1 per cent. The low growth rate is due to decrease on production of soft drinks and beverages.

The Mining and Quarrying activities grew by 13.6 percent in the First quarter of 2013 which is lower compared to growth of 23.9 percent recorded in the same quarter of 2012.

The quarterly Value Added at constant prices for Electricity, gas and water supply compiled by using the monthly quantity of electricity distribution and annual figure of water are distributed across the quarters. Electricity and related sectors grew slightly by 0.5 percent in the First quarter of 2013 which is lower compared to growth of 6.4 percent that was recorded in the same quarter of 2012.

The GDP of construction activities declined by 11.9 percent in the First quarter 2013 which is higher compared to growth of 29.6 percent recorded in the same quarter in 2012.

Figure 4: Percentage Growth of Manufacturing, Electricity and Construction Industries



2.4 Services

The Service Industry includes wholesale and retail trade and repair, hotel and restaurant, transport and communication, financial intermediation, real estate, public administration, education, health and other social and community services.

2.4.1 Wholesale and Retail Trade

The economic activities are estimated using imports from the rest of the world as well as items imported from Tanzania Mainland. The estimates of marketed on domestic production are also included.

Wholesale and Retail Trade declined by 6.1 per cent in the First quarter of 2013 which is lower compared to 2.4 percent growth in the corresponding quarter of 2012. The low performance was attributed to decrease in local production

2.4.2 Hotel and Restaurants

The quarterly GDP growth of hotels and restaurants for both 2012 and 2013 are presented in Figure 6. The results indicate that in the First quarter of 2013 the sector increased to 7.2 percent as compared to the growth of 5.1 reported in similar quarter of 2012. This increase may be associated with the number of tourists' arrivals from 51,022 in 2012 to 54,276 in 2013.

2.4.3 Transport and Communication

The transport activity comprises of land, air and sea transports while the communication includes telecommunication services.

Transport and Communication activities for First quarter 2013 declined by 13.9 percent which is lower compared to 25.9 percent growth of the same quarter 2012.

This decline of growth rate may be due to decrease on sales of air times in TTCL Company between referenced quarters.

Figure 5: Q1 - Percentage Growth of Whole Sales and Retail Trade Activities 2009 – 2013

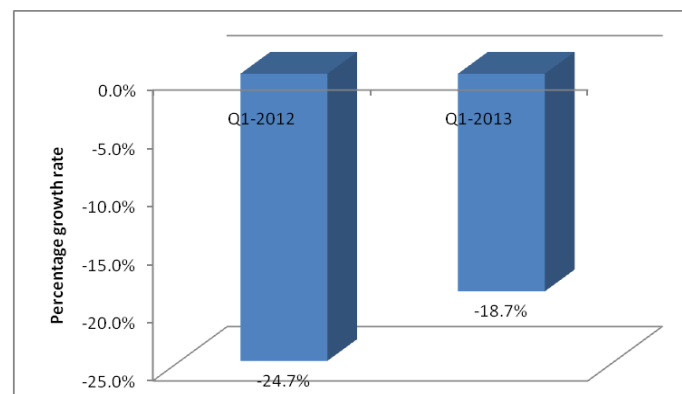
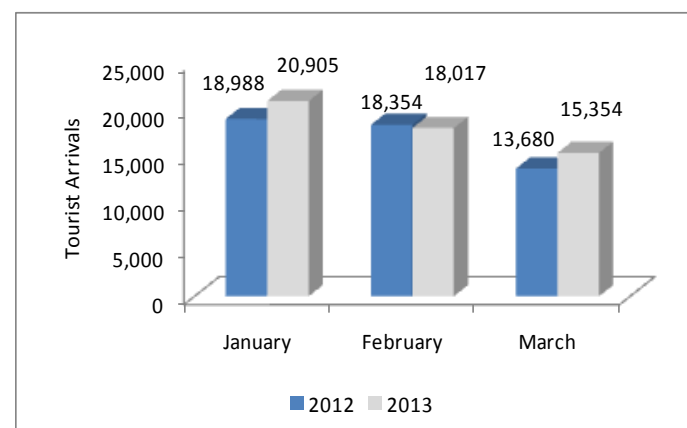


Figure 6: Number of Tourists Arrival in Zanzibar

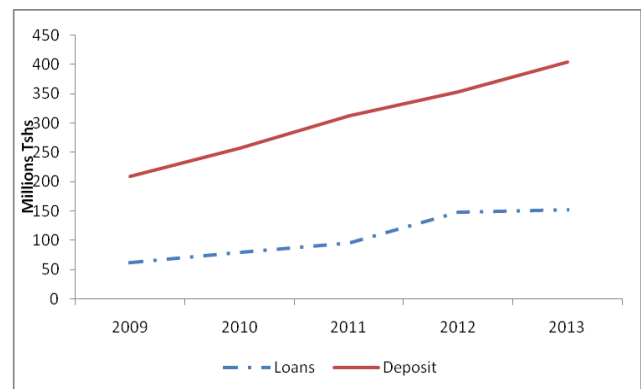


2.4.4 Financial Intermediation

This economic industry includes banking activities, insurance and bureau de change. The compilation of quarterly value added is generated using deposit and loan as indicators.

Financial intermediation registered a growth of 3.9 percent in the First quarter of 2013 compared to 13.0 percent recorded in the corresponding quarter of 2012. This was contributed mainly to the increase of deposits from Tshs (Mil) 352,066.3 to Tshs (mil) 403,378.6 from Q1 2012 to Q1 2013 respectively.

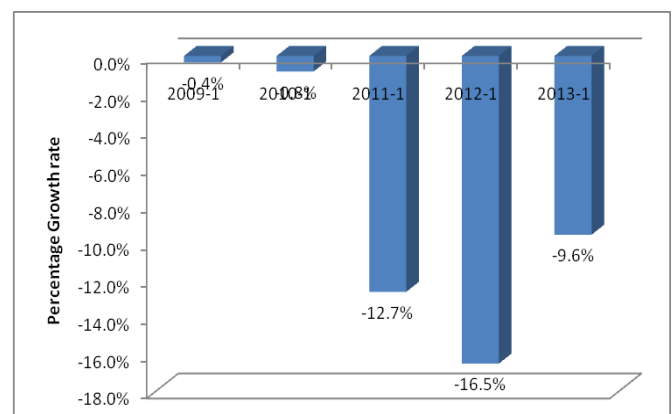
Figure 7: First Quarter Trends of Deposits and Loans 2009 – 2013



2.4.5 Public Administration

The quarterly estimate of Value Added for public administration has been calculated based on the salary and wage trends in the public sector. The GDP growth rate of Public administration sector for the First quarter 2013 has increased by 28.6 percent compared to decrease of 10.6 percent observed in the same quarter of 2012. This was mainly attributed by increase of salaries.

Figure 8: First Quarter Growth Rates of Public Administration 2009 – 2013



2.4.6 Education

The GDP growth rate of education grew slightly at rate of 0.4 percent in First quarter 2013 compared to 1.3 percent recorded in the similar quarter of 2012. This lower rate growth may be due to decrease of number of student's attendance observed at government's secondary schools and tertiary students for both Government and Private.

2.4.7 Health and Other Social Services

The GDP growth rate of these activities decreased by 0.6 percent in the First quarter of 2013 compared to decline of 7.4 percent observed in the same quarter of 2012. This means that there is improvement in terms of growth.

Table 1.0: Quarterly GDP Estimated at Constant Price from Q1 2001 to Q1 2013**(Million Tshs)**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
First quarter	43,716	50,442	53,562	62,775	65,491	68,910	71,675	77,376	86,124	82,117	93,868	100,400	98,804
Second quarter	47,935	47,971	54,321	59,815	57,918	66,659	72,341	69,432	72,940	81,100	81,246	94,315	
Third quarter	61,103	68,848	72,583	74,759	83,166	84,591	90,952	95,936	106,750	118,113	121,790	132,616	
Fourth quarter	69,624	74,128	75,364	75,137	79,117	82,679	87,409	96,504	96,130	103,706	113,853	112,067	
Year	222,378	241,389	255,830	272,486	285,691	302,839	322,378	339,249	361,945	385,036	410,756	439,398	

Table 2.0: Quarterly GDP Percentage Growth Rates from Q1 2002 to Q1 2013

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
First quarter	15.4%	6.2%	17.2%	4.3%	5.2%	4.0%	8.0%	11.3%	-4.7%	14.3%	7.0%	-1.6%
Second quarter	0.1%	13.2%	10.1%	-3.2%	15.1%	8.5%	-4.0%	5.1%	11.2%	0.2%	16.1%	
Third quarter	12.7%	5.4%	3.0%	11.2%	1.7%	7.5%	5.5%	11.3%	10.6%	3.1%	8.9%	
Fourth quarter	6.5%	1.7%	-0.3%	5.3%	4.5%	5.7%	10.4%	-0.4%	7.9%	9.8%	-1.6%	
Year	8.5%	6.0%	6.5%	4.8%	6.0%	6.5%	5.2%	6.7%	6.4%	6.7%	7.0%	

Table 3.0: The GDP Growth Rates by Activity – Percentage Changes from Q1 2009 – Q1 2013

Year	Quarter	Agriculture	Fishing	Mining and Quarrying	Manufacturing	Electricity	Construction	Wholesale and Retail Trade	Hotels and Restaurants	Transport and Communication
2009	1	3.1	26.8	18.0	2.6	1.5	17.5	9.2	-9.2	28.0
	2	3.4	29.7	24.8	3.3	19.2	17.8	-12.5	4.7	13.5
	3	20.4	-6.9	4.2	0.4	4.3	-8.1	20.5	14.4	25.7
	4	-10.1	-27.6	1.9	3.5	-12.1	-7.8	-1.6	12.7	21.6
2010	1	1.2	-24.8	-2.4	5.2	-31.9	-0.9	-10.0	-15.2	8.2
	2	-0.8	5.8	5.5	3.9	6.7	9.3	20.3	2.8	27.9
	3	13.0	3.7	9.8	2.9	6.2	1.7	15.5	-0.2	24.1
	4	-6.3	26.0	9.4	0.6	19.9	-4.3	1.7	25.6	18.1
2011	1	-1.1	31.4	2.2	-1.2	63.7	-6.6	37.0	34.4	20.6
	2	-0.7	-9.0	1.0	2.3	3.6	-13.4	6.4	12.2	7.3
	3	4.0	8.8	7.1	0.0	4.6	0.0	9.0	9.6	-2.6
	4	-1.5	23.1	40.3	8.8	8.3	39.9	39.7	-6.9	14.0
2012	1	7.6	1.4	23.9	4.8	6.4	29.6	2.4	5.1	25.9
	2	10.2	10.5	23.4	5.0	5.1	39.1	19.9	18.5	27.5
	3	-8.6	15.9	27.3	1.1	4.2	19.9	29.6	-7.7	19.5
	4	9.4	-15.6	-2.7	-9.2	3.3	-16.4	-13.0	-4.0	8.5
2013	1	4.9	2.4	13.6	-2.9	0.5	-11.9	-6.1	7.2	-13.9

Table 3.0: The GDP Growth Rates by Activity – Percentage Changes from Q1 2009 – Q1 2013

Year	Quarter	Financial Intermediation	Public Administration	Education	Other Services	All Industries at Basic Prices	Taxes on Products	GDP at Market Prices	GDP Seasonally Adjusted
2009	1	-7.3	34.7	6.9	4.6	11.7	9.3	11.3	11.3
	2	6.5	15.0	4.9	4.3	7.8	-8.2	5.1	6.0
	3	11.1	-10.0	5.5	5.0	10.5	15.5	11.3	10.0
	4	1.9	-12.0	5.3	-0.3	-1.8	8.0	-0.4	0.1
2010	1	17.9	-12.4	4.4	4.1	-3.5	-10.6	-4.7	-4.7
	2	29.1	2.4	5.0	3.9	10.0	18.1	11.2	12.3
	3	22.2	7.6	4.9	3.0	10.8	9.7	10.6	9.3
	4	26.9	15.1	5.1	3.6	7.4	10.7	7.9	8.4
2011	1	9.5	1.4	4.1	0.9	12.3	25.2	14.3	14.6
	2	-0.2	-1.9	3.7	-2.9	1.0	-4.2	0.2	0.7
	3	11.1	7.6	2.7	17.0	4.5	-5.0	3.1	2.2
	4	-3.3	-6.5	0.6	-14.0	9.2	13.0	9.8	10.3
2012	1	13.0	-10.6	1.3	-7.4	9.4	-4.7	7.0	7.1
	2	5.3	-1.3	0.3	29.4	16.0	16.4	16.1	16.2
	3	6.7	-5.5	1.0	3.8	4.8	34.6	8.9	8.5
	4	16.0	18.8	2.2	-6.8	0.8	-13.7	-1.6	-1.3
2013	1	3.9	28.6	0.4	-0.6	-1.0	-5.1	-1.6	-1.6